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888 Swift Boulevard • Richland, WA 99352 • (509) 946-4611

April 27, 2006

Janis Sigman, Manager Certificate of Need Program Department of Health P.O. Box 47852 Olympia, WA 98504-7852

Dear Ms. Sigman:

In accordance with WAC 246-310-080, Kadlec Medical Center (Kadlec) hereby submits a letter of intent proposing to increase its licensed acute care bed capacity. In conformance with WAC, the following information is provided:

1. A Description of the Extent of Services Proposed:

Kadlec proposes to increase its licensed bed capacity from 172 to up to 220 beds.

2. Estimated Cost of the Proposed Project:

The estimated capital expenditure for this project is not expected to exceed \$15 million.

3. Description of the Service Area:

Kadlec's primary service area is Benton and Franklin Counties.

Thank you for your interest in this matter. Please contact me directly with any questions.

Sincerely,

Rand Wortman,

President and CEO